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## WHAT IS CLAIMED IS:

- 1 1. A method for authenticating a party to a transaction,
- 2 for use with a network in which packets entering the
- 3 network have at least a part of layer 2 information
- 4 replaced with a unique bit string, the method comprising:
- a) examining at least a part of the unique bit
- 6 string;
- 7 b) comparing the at least a part of the unique bit
- 8 string examined with stored information; and
- 9 c) authenticating the party only if the at least a
- 10 part of the unique bit string examined matches the
- 11 stored information.
  - 1 2. The method of claim 1 further comprising:
  - d) approving a transaction if the party was
  - 3 authenticated.
  - 1 3. The method of claim 1 wherein the at least a part of
- 2 the unique bit string examined depends on a type of the
- 3 transaction.
- 1 4. The method of claim 2 wherein the stored information
- 2 compared with the at least a part of the unique bit string
- 3 examined depends on the type of the transaction.
- 1 5. The method of claim 3 wherein the type of the
- 2 transaction is selected from a group of transaction types
- 3 consisting of: (A) transactions greater than a
- 4 predetermined amount; (B) transactions less than a
- 5 predetermined amount; (C) purchases delivered to a credit

- 6 card billing address; and (D) purchases delivered to an
- 7 address other than a credit card billing address.
- 1 6. The method of claim 1 wherein the stored information
- 2 compared with the at least a part of the unique bit string
- 3 examined depends on a type of the transaction.
- 1 7. The method of claim 1 wherein the at least a part of
- 2 the unique bit string examined identifies a location at
- 3 which packets from the party to the transaction entered the
- 4 network.
- 1 8. The method of claim 1 wherein the at least a part of
- 2 the unique bit string examined identifies an individual who
- 3 is a party to the transaction.
- 1 9. The method of claim 1 wherein the at least a part of
- 2 the unique bit string examined identifies a group to which
- 3 an individual, who is a party to the transaction, belongs.
- 1 10. The method of claim 1 wherein the at least a part of
- 2 the unique bit string examined identifies a customer that
- 3 is a party to the transaction.
- 1 11. The method of claim 1 wherein the at least a part of
- 2 the unique bit string identifies at least one of a customer
- 3 identification, an individual user identification, a
- 4 network ingress location, and a user class.
- 1 12. The method of claim 1 wherein the at least a part of
- 2 the unique bit string identifies at least two of a customer

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- 3 identification, an individual user identification, a
- 4 network ingress location, and a user class.
- 1 The method of claim 1 wherein the at least a part of
- 2 the unique bit string identifies at least three of a
- 3 customer identification, an individual user identification,
- a network ingress location, and a user class. 4
- 1 The method of claim 1 wherein the unique bit string is
- 2 provisioned by a network service provider.
- 1 15. The method of claim 1 wherein the unique bit string is
- controlled by a network service provider.
- 16. The method of claim 1 wherein the act of
  - authenticating does not require the transmission of any
  - authentication information from the party.
- 17. A method for tracking a network ingress location at
  - which a packet associated with a transaction originated,
  - wherein packets entering the network have at least a part
  - of a layer 2 information replaced with a unique bit string, 4
  - 5 the method comprising:
  - 6 examining at least a part of the unique bit
  - 7 string; and
  - 8 determining the network ingress location from the
  - 9 at least a part of the unique bit string.
  - 1 The method of claim 17 wherein the at least a part of
  - 2 the unique bit string examined identifies an individual who
  - 3 is a party to the transaction.

- 1 19. The method of claim 17 wherein the at least a part of
- 2 the unique bit string examined identifies a group to which
- 3 an individual, who is a party to the transaction, belongs.
- 1 20. The method of claim 17 wherein the at least a part of
- 2 the unique bit string examined identifies a customer that
- 3  $\dot{}$  is a party to the transaction.
- 1 21. The method of claim 17 wherein the at least a part of
- 2 the unique bit string identifies at least one of a customer
- 3 identification, an individual user identification, a
- 4 network ingress location, and an individual user class.
- 1 22. The method of claim 17 wherein the unique bit string
  - 2 is provisioned by a network service provider.
- 1 23. The method of claim 17 wherein the unique bit string
- 2 is controlled by a network service provider.
- 1 24. A method for authenticating a party to a transaction
- 2 for use with a network in which packets entering the
- 3 network have a unique bit string applied to them, the
- 4 method comprising:
- 5 a) examining at least a part of the unique bit
- 6 string;
- 7 b) comparing the at least a part of the unique bit
- 8 string examined with stored information; and
- 9 c) approving a transaction only if the at least a
- 10 part of the unique bit string examined matches the
- 11 stored information,

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- 12 wherein no information in addition to the unique
- 13 bit string is needed for authenticating the party to the
- 14 transaction.
- 1 25. The method of claim 24 wherein the unique bit string
- 2 is applied to packets entering the network by replacing at
- least a part of a layer 2 information with the unique bit 3
- 4 string.
- 1 The method of claim 24 wherein the unique bit string
- 2 is maintained as the packet is communicated within the
- 3 network.
- 1 2 3 The method of claim 25 wherein the unique bit string
  - identifies a logical port at which the packet entered the
  - network.

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- A method for authenticating a party to a transaction, 28.
- 1 2 mm 2 mm 3 the method comprising:
  - applying a unique bit string to packets entering
- £# 4 the network;
  - 5 b) examining at least a part of the unique bit
  - 6 string;
  - 7 comparing the at least a part of the unique bit
  - 8 string examined with stored information; and
  - 9 approving a transaction only if the at least a
  - 10 part of the unique bit string examined matches the
  - 11 stored information.
  - 1 The method of claim 28 wherein the act of applying a
  - 2 unique bit string to packets entering the network includes

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- 3 replacing at least a part of a layer 2 information with the
- 4 unique bit string.
- 1 30. The method of claim 28 wherein the unique bit string
- 2 is maintained as the packet is communicated within the
- 3 network.
- 1 31. The method of claim 28 wherein the unique bit string
- 2 identifies a logical port at which the packet entered the
- 3 network.
- 1 32. The method of claim 28 wherein no information in
- 2 addition to the unique bit string is needed for
- 3 authenticating the party to the transaction.
- 1 33. An apparatus for authenticating a party to a
- 2 transaction for use with a network in which packets
- 3 entering the network have at least a part of a layer 2
- 4 information replaced with a unique bit string, the
- 5 apparatus comprising:
  - a) an input for accepting an authentication request;
  - 7 b) storage means for storing authentication
  - 8 information;
  - 9 c) means for examining at least a part of the unique
- 10 bit string;
- d) a comparison facility for comparing the at least a
- 12 part of the unique bit string examined with the stored
- 13 authentication information; and
- e) means for authenticating a party to a transaction
- only if the at least a part of the unique bit string
- 16 examined matches the stored authentication
- information.

- 1 34. The apparatus of claim 33 further comprising:
- 2 f) means for approving the transaction if the party
- 3 was authenticated.
- 1 35. The apparatus of claim 33 further comprising:
- f) an output for forwarding an authentication
- 3 response to the transaction facility.
- 1 36. The apparatus of claim 34 further comprising:
- g) an output for forwarding an authorization response
- 3 to the transaction facility.